
RAC Service and Repair Code of Practice Approved Consumer Code Desktop Audit July 2020

Background information

The RAC Service and Repair Code of Practice has 1024 members. The members of the code are mainly small independent garages. The code has members spread across the UK. RAC Accredited Repairers now come under the same regime as Approved Garages.

Members of the code are judged not just on their ability to carry out the service and repair work but also on the wider breadth of their services including such things as customer service reception areas, customer car-parking facilities etc.

Audit Process

The desktop audit was carried out on behalf of the Chartered Trading Standards Institute by a Chartered Trading Standards Practitioner on 23rd July 2020.

The audit focused on the following areas:

1. Member application process including checks carried out on prospective members
2. Member auditing-content and process (including general compliance with the code, staff training and dealing with consumer complaints)
3. Sanctions for non-compliant members
4. Marketing and advertising by member businesses - terms and conditions and pre-contractual information (including cancellation rights, deposits, delivery times and guarantees and warranties)
5. Customer service provisions (including support for vulnerable consumers).
6. Consumer complaints process (including ADR)
7. Customer satisfaction, information/complaints from enforcement agencies, and how this information is used to develop and improve the code.

Audit Summary

The audit examined:

- The application process for new members
- The records of audit of existing members
- Complaint procedure including Alternative Dispute Resolution (ADR)
- Process for unauthorised use of the RAC logo/membership

Member Application Process

RAC has a comprehensive member database, with all records kept electronically.

Since the last audit an additional 251 garages have applied to join. Also since the last audit RAC Accredited Repairers come under the same regime as Approved Garages, which is the reason for the large increase in members. However, the application process remains the same.

All areas of the business are assessed before their application is considered. This includes assessment of the 'retail' aspects of the business and the overall customer experience. Initially premises are viewed to ensure garage is suitable and that they meet RAC's requirements for consumers (including consumer facilities) then the application is submitted by garage. RAC completes its due diligence checks including credit history checks and Companies House checks.

New members are assigned an account manager and an onsite audit is carried out to ensure that the garage meets requirements. The garage is visited initially monthly to ensure that any changes recommended prior to acceptance for RAC Code membership are implemented and that standards are being upheld.

Two recent audits of applicants were examined and found to be thorough and comprehensive. The websites of both garages were examined and the RAC logo was not present on one of them.

Best Practice:

It is ensured that new members include the RAC logo at their premises and on their website as soon as possible.

Existing Members Inspections/Audit

RAC carry out an onsite audit of each garage once a year, since the last audit 60% of member garages have been audited. No onsite audits have been completed since the UK went into lockdown in March 2020. The RAC have plans in place to resume audits as soon as possible.

The RAC carry out an onsite audit of every garage once a year. Visits are carried out by an RAC engineer. Any garage scoring below the benchmark score of 80% on their audit are set up on an action plan within the week to ensure improvements are made. The RAC have issued 85 action plans to garages within the last 12 months. The action plan details the changes or amendments that are needed.

RAC Inspection Services carried out over 610 inspection audits of RAC Approved Garages within the last 12 months. The average score of these inspection audits was 88.4% against a benchmark of 80%. There were 17 garages who failed to meet the standards agreed and once results were reviewed, RAC took the decision to remove them from the scheme. There were 85 garages with scores just below the 85% benchmark and all these garages were issued with actions plans to support them and improve their standards.

All garages have access to the RAC portal. This contains the Code of Conduct and details of what is expected from them as a code member in each aspect of the code. The RAC portal also contains briefings and acts as a point of reference for members. If any areas are identified where the garage is failing to meet the standards, RAC engineers will carry out training on site during an audit.

Five audits were examined in their entirety.

Membership Withdrawal and Sanctions for Non-Compliant Member Businesses

In many instances of non-compliance, the initial response from RAC is to attempt to assist the member to improve their business practices. In cases where this is resisted, the issues that have arisen are endemic in the business or are too fundamental to resolve, members face a range of sanctions including formal warning or expulsion.

Once three complaints are upheld against the member these are reviewed for trends and action taken if necessary. The RAC have sanctions in place to dismiss a member business within one month, with immediate dismissal from the scheme possible if circumstances require. The member is removed immediately from the RAC website and the list of garages that can be used by RAC patrols.

RAC Patrols, random checks and reports from members of the public have highlighted misuse of the RAC logo. Enforcement Notices are sent by RAC Legal if the garage persists in using the RAC logo.

In the year since the last audit 140 members have left. Three exit letters were examined and the websites for the ex-members checked. None were found to be still using the RAC and/or CTSI logo.

One garage was removed from the RAC network due to compliance issues in the last 12 months.

No members are currently in the RAC disciplinary process.

Marketing and Advertising by Member Businesses

All approved garages have access to RAC Approved Garage branding. RAC supply the branding to garages so it's fully controlled and the RAC engineer will ensure the branding is being used correctly during the onsite annual audit. Any instances of incorrect use of branding are picked up with the garage as soon as RAC is aware.

RAC Roadside Patrols raise any issues of garages who are displaying RAC branding but aren't part of the network. RAC then follow this up with the garage concerned to ensure this branding is removed. The RAC Legal team provide assistance where necessary. This process is also followed when a consumer makes us aware of a garage advertising as RAC approved when they're not part of the Code.

There were no issues of concern with marketing and advertising by members of the code.

Terms and Conditions and other Pre-Contractual Information

Terms and conditions and other pre-contractual information is required by the code to be visible to consumer prior to contract, this is checked by RAC auditors as part of the regular onsite audits.

RAC have a Business Terms & Conditions template, previously agreed with Trading Standards, that is available for code members to use. The garage is able to access this template as soon as they join the network and it is highlighted to them at the time of audit if they do not have suitable Terms & Conditions in place.

Customer Service Provisions

A high level of customer service is fundamental to the RAC and it places the same high expectation of customer service on its code members.

The RAC considers that all breakdown customers are, at that point in time, vulnerable and therefore requires them to be treated by their members with due care and consideration. The code requires that no entrapments methods are used e.g. retaining of keys due to alleged issues with vehicle's brakes. Unauthorised repairs can be an issue so this is carefully monitored during visits, member audits and in the content of any complaints. If the RAC receives three or more complaints about any member this triggers a report and investigation. However, one single complaint that highlights issues about the customer care culture within the business can cause removal of the member from the RAC Code.

Consumer Complaints Process

RAC now have approval to provide their own ADR.

At RAC Complaints and Conciliation are managed by a dedicated customer support team within RAC. Within the last 12 months RAC have assisted 51 consumers. Of these 20 were upheld against the garage, in these cases the RAC secured additional repairs or refunds for the consumers. No cases had gone to ADR yet, as all have been resolved informally.

Where improvements are identified RAC issue recommendations to the network.

Customer Satisfaction and Feedback

Customer feedback can be logged on the RAC website:

<https://www.rac.co.uk/approvedgarages/search>

Customers can find a garage/repairer on the RAC Garage Finder website and leave a review for the garage and view reviews that have been left by other customers.

When RAC Patrols recommend the use of an approved garage to a customer from the roadside, these customers are sent an email invitation to leave a review of the services provided by the garage. The RAC can only do this where they have the email address and correct permissions in place to contact via email. This process has been reviewed and is compliant with GDPR.

RAC use Net Promoter (NPS) to measure customer satisfaction and also ask a series of supplementary questions to gain more insight into the customer's experience of the RAC Approved Garage. Customers also have a free text field where they can leave specific feedback.

The RAC NPS score for the last 12 months was 61.7%. Any low scores are reviewed directly by RAC.

Conclusions

The Coronavirus pandemic halted auditing. The RAC have a plan in place to resume their auditing programme as soon as possible.

The RAC brand is an iconic name within the motoring industry and garages using the name gain instant credibility. The RAC works hard to protect its brand and this is demonstrated in their constant review and improvement in ways to ensure that the customer is treated well and fairly by its member businesses.